

## **2012 BUDGET LEGISLATION FISCAL NOTE**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
Legislative	John McCoy 5-0768	Jessica Wang 5-1759

**Legislation Title:** A RESOLUTION approving interest rates set by the Seattle City Employees' Retirement System (SCERS) Board of Administration for 2014.

### **Summary of the Legislation:**

Per Seattle Municipal Code 4.36.140.A.1, this resolution provides City Council approval of the 2014 interest rates on member contributions set by the SCERS Board of Administration.

### **Background:**

Under the policy enacted by the SCERS Board, in 2014, contributions received on or before December 31, 2011 will earn 5.75% annual interest, compounded annually. Contributions received after that date will earn 2.91% interest, also compounded annually. The Board will review and adjust the interest rates annually, based on market conditions.

Please check one of the following:

☐ **This legislation does not have any financial implications.**

☒ **This legislation has financial implications.**

This legislation has no direct financial implications for City appropriations, revenues, or positions. However, the new interest rates for 2014 will grow member contribution balances a bit more slowly than the older rates, lowering the Retirement Fund's costs and incrementally lowering the system's normal cost. These impacts are estimated along with other factors in the retirement system's periodic actuarial valuations.